

STATEMENT OF REP. JOHN CONYERS, JR.

Floor Debate

H.R. 2047: "The Patent and Trademark Office Authorization Act of 2002"
November 6, 2001

We all know that the Patent & Trademark Office is crucial to America's economy, reviewing technologies and granting patents on thousands of new inventions every year. And this year alone has seen a thirteen percent rise in patent applications.

We also know the PTO is losing resources and cannot handle the increased workload. The PTO takes no money from taxpayers; instead, it is fully funded by user fees, generating \$1 billion per year. Unfortunately, appropriators and the Administration treat the PTO like a savings and loan and divert its money every year for other government programs. To date, over \$600 million in fees has been diverted since 1992. This coming year alone, the appropriators are taking \$200 million.

Not surprisingly, this diversion is taking its toll. The PTO cannot hire or retain qualified patent examiners with advanced scientific degrees; they prefer the more lucrative salaries in the private sector. The PTO also cannot update its computer systems to thoroughly search databases of information and determine whether patent applications really disclose new and non-obvious inventions; this makes it that more likely for the PTO to issue a bad patent. Finally, just a few years ago it took the PTO 19.5 months to rule on a patent application; it now takes 26 months, and is expected to be 38.6 months by 2006. At that rate, inventions will be obsolete before they're patented.

We cannot let the PTO and American inventors continue to suffer this way. H.R. 2047 – introduced by Chairman Coble, Ranking Member Berman, and myself – resolves the problem by letting the PTO keep all of its fiscal year 2002 fees. It also lets the PTO use some of its money to modernize its electronic filing systems. The bill finally requires the PTO to develop a five-year strategic plan explaining what resources it needs to better serve its customers. This plan will make it easier for Congress to make future oversight decisions.

I urge my colleagues to vote "Yes" on this legislation.